

BALANCE SHEET

As at **September 30, 2005**
 Organization: **Dalsviaz MRK OJSC**
 Taxpayer's identification number **2540014227**
 Business: **Telecommunications**
 Corporate structure / ownership status **Open joint stock company/mixed**
 Quantity unit: **ths. rub.**
 Address: **57 Svetlanskaya street, Vladivostok**

	CODES
OKUD Form No. 01	0710001
Date (year, month, day)	25/10/2005
OKPO code	1163193
INN	2540014227
OKVED code	710001
OKOPF/OKFS code	47/42
OKEI code	384

[OKUD stands for the General Classification of Administrative Documents;
 OKPO stands for the General Classification of Enterprises and Organizations;
 INN stands for the taxpayer's identification number;
 OKVED stands for the General Classification of Foreign Economic Activities;
 OKOPF stands for the General Classification of Corporate Structures;
 OKFS stands for the General Classification of Ownership Statuses;
 OKEI stands for the General Classification of Quantity Units]

Approval date
 Submission / filing date

ASSETS	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
I. NON-CURRENT ASSETS					
Intangible assets		110	110	109	93
Fixed assets		120	120	7 006 591	6 907 535
Capital outlays		130	130	879 647	1 211 366
Income-bearing lease investments		135	135		
Long-term financial investments		140	140	6 297	388 795
including:					
investments in subsidiaries			141		278 480
investments in dependent companies			142	330	330
investments in other companies			143	5 874	6 939
other long-term financial investments			144	93	103 046
Deferred tax assets		145	145	148 235	106 335
Other non-current assets		150	150	656 626	812 720
Total for Section I		190	190	8 697 505	9 426 844
II. CURRENT ASSETS					
Inventories		210	210	522 801	616 293
including:					
raw and other materials, and other similar inventories		211	211	451 755	482 793
work in process / distribution costs		213	213	14 996	15 013
finished products and goods for reselling		214	214	12 297	10 086
goods shipped		215	215	51	55
deferred expenses		216	216	43 702	108 346
other inventories and expenses		217	217		
Value-added tax on acquired inventories		220	220	767 213	636 714
Accounts receivable (payment expected more than 12 months after the balance sheet date)		230	230	83 183	83 005

ASSETS	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
<i>including:</i>					
due from buyers and customers		231	231		272
prepaid expenses			232	47 275	47 275
receivables from other debtors			233	35 908	35 458
Accounts receivable ((payment expected within 12 months after the accounting date)		240	240	885 424	836 727
<i>including:</i>					
due from buyers and customers		241	241	601 905	638 729
prepaid expenses			242	81 238	84 809
receivables from other debtors			243	202 281	113 189
Short-term financial investment		250	250	1 422	37 580
Monetary assets		260	260	129 114	71 249
Other current assets		270	270	96	95
Total for Section II		290	290	2 389 253	2 281 663
GRAND TOTAL (line 190 + line 290)		300	300	11 086 758	11 708 507
LIABILITIES	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
III. CAPITAL AND PROVISIONS					
Charter capital		410	410	2 535 006	2 535 006
Additional capital		420	420	651 765	649 589
Reserve capital		430	430	126 751	126 751
Treasury shares repurchased from shareholders		411	440		
Past retained profits / uncovered losses		470	460	1 285 991	1 060 948
Retained profits / uncovered losses for the accounting year		470	470	X	717 193
Total for Section III		490	490	4 599 513	5 089 487
IV. FIXED LIABILITIES					
Loans and credits		510	510	377 097	409 000
<i>including:</i>					
loans			511	317 000	409 000
credits			512	60 097	
Deferred tax liabilities		515	515	151 649	185 953
Other fixed liabilities		520	520	1 902 362	1 527 443
Total for Section IV		590	590	2 431 108	2 122 396
V. CURRENT LIABILITIES					
Loans и credits		610	610	1 119 982	1 867 527
<i>including:</i>					
loans			611	101 490	328 689
credits			612	1 018 492	1 538 838
Accounts payable		620	620	2 444 488	2 174 498
<i>including:</i>					
owing to suppliers and contractors		621	621	1 689 517	1 340 484
precollected revenue		625	622	249 930	213 580
compensation owed to employees		622	623	112 070	131 455
owing to government extra-budgetary funds		623	624	29 849	37 832
taxes and levies owing		624	625	142 438	132 427
owing to other creditors		625	626	220 684	318 720
Outstanding revenue distributions due to participants (founders)		630	630	12 047	98 350
Deferred revenue		640	640	78 816	83 313
Provisions for future expenses		650	650	400 804	272 936
Other current liabilities		660	660		

ASSETS	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
Total for Section V		690	690	4 056 137	4 496 624
GRAND TOTAL (line 490 + line 590 + line 690)		700	700	11 086 758	11 708 507

Assets recorded on below-line accounts					
Filing entry	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
Fixed assets taken on lease		910	901	413 594	311 745
including: those obtained by way of leasing		911	911	236 001	120 558
Inventories accepted for custody		920	902	199 302	10 030
Goods accepted for sale on a commission basis		930	903	18	16
Dues from insolvent debtors written off as losses		940	904	124 065	139 112
Collateral received to secure obligations and payments		950	905	5 969	219 558
Collateral provided to secure obligations and payments		960	906	2 332 811	2 418 109
Wear of housing stock		970	907	25 346	23 135
Wear of landscaping facilities and other like amenities		980	908		
Payments for communications services			909	151 931	236 804
Net asset value statement					
Filing entry	Explanations	Indicator code	Line code	At accounting period open	At accounting period close
1	1a	2	2a	3	4
Net assets			1000	4 678 329	5 172 800

Chief Executive Officer _____ A.A. Alekseev
(Signature) (Signature transcript)

Chief Accountant _____ A.D. Kartashov
(Signature) (Signature transcript)

[month, date, year]

PROFIT AND LOSS STATEMENT

for **the first nine months of 2005**
 Organization: **Dalsviaz MRK OJSC**
 Taxpayer's identification number **2540014227**
 Business: **Telecommunications**
 Corporate structure / ownership structure: **Open joint stock company/mixed**
 Quantity unit: **ths. rub.**

	CODES
OKUD Form No. 2	0710002
Date (year, month, day)	25/10/2005
OKPO code	1163193
INN	2540014227
OKVED code	710001
OKOPF/OKFS code	47/42
OKEI code	384

Filing entry	Explanations	Indicator code	Line code	For the accounting period	For the corresponding period of the previous year
1	1a	2	2a	3	4
I. Revenue from and expenditure for regular business operations (Net) proceeds from the sale of goods, products, works, and services (less value-added tax, excises, and other similar obligatory deductions)		010	010	7 454 359	6 338 702
including: proceeds from the sale of communications services			011	7 341 426	6 242 283
Costs of goods, products, works, and services sold		020	020	(6 094 221)	(5 391 815)
including: costs of communications services			021	(6 056 471)	(5 344 854)
Profits / losses from sales (line 010 - line 020)		050	050	1 360 138	946 887
II. OPERATING REVENUE AND EXPENDITURE					
Interest revenue due		060	060	9 486	2 148
Interest expense payable		070	070	(191 803)	(137 912)
Revenue from equity participation in other organizations		080	080	268	10 119
Other operating revenue		090	090	228 445	1 160 779
Other operating expenditure		100	100	(210 709)	(334 334)
III. NON-OPERATING REVENUE AND EXPENDITURE					
Non-operating revenue		120	120	60 665	78 301
Non-operating expenditure		130	130	(236 787)	(244 779)
Pretax profits / losses (line 050+ line 060 - line 070 + line 080 + line 090 - line 100 + line 120 - line 130)		140	140	1 019 703	1 481 209
Profit tax (line -151+/- line 152 +/- line 153), including:			150	(301 735)	(418 125)
deferred tax liabilities		142	151	(34 641)	(51 951)
deferred tax assets		141	152	(40 000)	11 602
Profit tax for the accounting period		150	153	(227 094)	(377 776)
Profits / losses from regular business operations (line 140 -			160	717 968	1 063 084

Filing entry	Explanations	Indicator code	Line code	For the accounting period	For the corresponding period of the previous year
1	1a	2	2a	3	4
line 150)					
IV. EXTRAORDINARY REVENUE AND EXPENDITURE					
Extraordinary revenue			170	46	361
Extraordinary expenditure			180	(821)	(1 220)
Net profits (retained profits / losses) for the accounting period) (line 160 + line 170 – line 180)		190	190	717 193	1 062 225
MEMORANDUM					
Contingent profit tax expenditure / revenue			201	(244 543)	(359 918)
Standing tax liabilities		200	202	(68 420)	(66 326)
Standing tax assets		200	203	11 228	8 119
Filing entry	Explanations	Indicator code	Line code	For the accounting period	For the corresponding period of the previous year
1	1a	2	2a	3	4
Base profits / losses per share			301	X	X
Diluted profits / losses per share			302	X	X
* To be completed in annual financial statements					

Breakdown of individual categories of profits and losses

Filing entry	Indicator code	Line code	For the accounting period		The corresponding period of the preceding year	
			profits	losses	profits	losses
1	1a	2	3	4	5	6
Fines, late charges, and penalties acknowledged or which are to be recovered under judgments issued by courts of general jurisdiction or courts of state arbitration		401	4 546	(162)	2 752	(378)
Past profits / losses		402	31 804	(31 927)	21 481	(27 631)
Compensation for losses caused by the non-performance or improper performance of obligations		403	1 735	(2 522)	1 540	(522)
Exchange rate differentials in transactions executed in foreign currency		404	54	(101)	16 149	(14 578)
Deductions towards assessed reserves		405		(54 868)		(145 271)
Receivables and payables forgiveness		406	4 409	(6 380)	1 930	(2 493)

Chief Executive Officer _____ A.A. Alekseev
(Signature) (Signature transcript)

Chief Accountant _____ A.D. Kartashov
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[month, date, year]